



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-122]

Certain Corrosion Inhibitors from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that imports of certain corrosion inhibitors (corrosion inhibitors) from the People's Republic of China (China) are being, or are likely to be, sold in the United States at less than fair value (LTFV). The period of investigation is July 1, 2019 through December 31, 2019.

DATES: Applicable **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

FOR FURTHER INFORMATION CONTACT: Andre Gziryan, AD/CVD Operations, Office I, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2201.

SUPPLEMENTARY INFORMATION:

Background

On September 10, 2020, Commerce published its *Preliminary Determination* of sales at LTFV of corrosion inhibitors from China.¹ For a complete description of the events that followed the *Preliminary Determination*, see the Issues and Decision Memorandum.²

¹ See *Certain Corrosion Inhibitors from the People's Republic of China: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 85 FR 55825 (September 10, 2020) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum (PDM).

² See Memorandum, "Certain Corrosion Inhibitors from the People's Republic of China: Issues and Decision Memorandum for the Final Determination of Sales at Less Than Fair Value," dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and the electronic versions of the Issues and Decision Memorandum are identical in content.

Scope Comments

No interested party commented on the scope of the investigation. Thus, we have not changed the scope of the investigation.

Scope of the Investigation

The products covered by this investigation are corrosion inhibitors from China. For a complete description of the scope of the investigation, *see* Appendix I.

Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act).³

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are discussed in the Issues and Decision Memorandum. A list of the issues raised in the Issues and Decision Memorandum is attached to this notice as Appendix II.

Changes Since the Preliminary Determination

Based on our analysis of the comments received, we made certain changes to the margin calculations. For a discussion of these changes, *see* the Issues and Decision Memorandum.

³ *See* Commerce's Letters, dated November 4, 2020; Nantong Botao Chemical Co., Ltd.'s Letter, "Botao Verification Questionnaire Response," dated November 12, 2020; and Jiangyin Delian Chemical Co., Ltd.'s Letter, "Response to Questionnaire Issued in Lieu of Verification," dated November 12, 2020.

Separate Rate Companies

No party commented on our preliminary separate rate determinations with respect to the mandatory respondents and the non-individually examined companies;⁴ thus, there is no basis to reconsider our preliminary determinations with respect to separate rate status, and we have continued to grant them a separate rate in this final determination.

China-Wide Entity Rate and the Use of Adverse Facts Available

Commerce continues to find that the use of facts available is warranted in determining the rate of the China-wide entity pursuant to sections 776(a)(1) and (a)(2)(A)-(C) of the Act. As discussed in the Issues and Decision Memorandum, Commerce finds that the use of adverse facts available (AFA) is warranted with respect to the China-wide entity because the China-wide entity did not cooperate to the best of its ability to comply with our requests for information and, accordingly, we applied adverse inferences in selecting from the facts available, pursuant to section 776(b) of the Act and 19 CFR 351.308(a). For the final determination, as AFA, we are assigning the China-wide entity the highest transaction-specific dumping margin calculated for Botao, 277.90 percent. Because this constitutes primary information, the statutory corroboration requirement in section 776(c) of the Act does not apply.

Combination Rates

Consistent with the *Preliminary Determination* and Policy Bulletin 05.1,⁵ Commerce calculated combination (producer/exporter) rates for the respondents that are eligible for a separate rate in this investigation.

Final Determination

Commerce determines that the following estimated weighted-average dumping margins exist:

⁴ See *Preliminary Determination* PDM at 9-12.

⁵ See Enforcement and Compliance's Policy Bulletin No. 05.1, regarding, "Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries," dated April 5, 2005 (Policy Bulletin 05.1), available on Commerce's website at <http://enforcement.trade.gov/policy/bull05-1.pdf>.

Producer	Exporter	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate (Adjusted for Subsidy Offsets) (percent)
Nantong Botao Chemical Co., Ltd.	Jiangyin Delian Chemical Co., Ltd.	130.52	72.50
Nantong Kanghua Chemical Co., Ltd	Jiangyin Delian Chemical Co., Ltd.	130.52	72.50
Nantong Botao Chemical Co., Ltd.	Nantong Botao Chemical Co., Ltd.	139.41	101.71
Anhui Trust Chem Co., Ltd.	Anhui Trust Chem Co., Ltd.	134.97	87.11
Gold Chemical Limited	Gold Chemical Limited	134.97	87.11
Jiangsu Bohan Industry Trade Co., Ltd.	Gold Chemical Limited	134.97	87.11
Jiangyin Gold Fuda Chemical Co., Ltd.	Gold Chemical Limited	134.97	87.11
Ningxia Ruitai Technology Co.,Ltd.	Gold Chemical Limited	134.97	87.11
SHANGHAI SUNTECH BIOCHEMICAL CO., LTD	Gold Chemical Limited	134.97	87.11
Nantong Kanghua Chemical Co., Ltd	Nantong Kanghua Chemical Co., Ltd	134.97	87.11
Anhui Trust Chem Co., Ltd.	Nanjing Trust Chem Co., Ltd.	134.97	87.11
China-Wide Entity		277.90	241.02

Disclosure

We intend to disclose to parties in this proceeding the calculations performed for this final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of the notice of final determination in the *Federal Register*, in accordance with 19 CFR 351.224(b).

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate entries of corrosion inhibitors from China, as described in the appendix to this notice, which were entered, or withdrawn from warehouse, for consumption on or after September 10, 2020, the date of publication of the *Preliminary Determination* of this investigation in the *Federal Register*.

Pursuant to section 735(c)(1)(B)(ii) of the Act, upon the publication of this notice, Commerce will instruct CBP to require a cash deposit equal to the weighted-average amount by which the normal value exceeds U.S. price as follows: (1) the cash deposit rate for the exporter/producer combinations listed in the table above will be the rate identified in the table; (2) for all combinations of Chinese exporters/producers of subject merchandise that have not received their own separate rate above, the cash deposit rate will be the cash deposit rate established for the China-wide entity; and (3) for all non-Chinese exporters of subject merchandise which have not received their own separate rate above, the cash deposit rate will be the cash deposit rate applicable to the Chinese exporter/producer combination that supplied that non-Chinese exporter. These suspension of liquidation instructions will remain in effect until further notice.

To determine the cash deposit rate, Commerce normally adjusts the estimated weighted-average dumping margin by the amount of domestic subsidy pass-through and export subsidies determined in a companion countervailing duty (CVD) proceeding when CVD provisional measures are in effect. Accordingly, where Commerce makes an affirmative determination for

domestic subsidy pass-through or export subsidies, Commerce offsets the calculated estimated weighted-average dumping margin by the appropriate rates. Commerce continues to find that both Botao and Delian qualify for a double-remedy adjustment. We have continued to adjust the cash deposit rates for Botao, Delian, all non-individually-examined companies, and the China-wide entity for export subsidies in the companion CVD investigation by the appropriate export subsidy rates⁶ as indicated in the above chart. However, suspension of liquidation of provisional measures in the companion CVD case has been discontinued effective November 10, 2020; therefore, we are not instructing CBP to collect cash deposits based upon the adjusted estimated weighted-average dumping margin for those export subsidies and double remedy adjustment at this time.

International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order (APO), without the written consent of the Assistant Secretary for Enforcement and Compliance. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of subject merchandise from China no later than 45 days after our final determination. If the ITC determines that such injury does not exist, this proceeding will be terminated, and all cash deposits posted will be refunded. If the ITC determines that such injury does exist, Commerce will issue an AD order directing CBP to assess, upon further instruction by Commerce,

⁶ See *Certain Corrosion Inhibitors from the People's Republic of China: Final Affirmative Countervailing Duty Determination*, dated concurrently with this notice.

antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation subject to sanction.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act and 19 CFR 351.210(c).

Dated: January 25, 2021.

Christian Marsh,

Acting Assistant Secretary

for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is tolyltriazole and benzotriazole. This includes tolyltriazole and benzotriazole of all grades and forms, including their sodium salt forms. Tolyltriazole is technically known as Tolyltriazole IUPAC 4,5 methyl benzotriazole. It can also be identified as 4,5 methyl benzotriazole, tolutriazole, TTA, and TTZ.

Benzotriazole is technically known as IUPAC 1,2,3-Benzotriazole. It can also be identified as 1,2,3-Benzotriazole, 1,2-Aminozophenylene, IH-Benzotriazole, and BTA.

All forms of tolyltriazole and benzotriazole, including but not limited to flakes, granules, pellets, prills, needles, powder, or liquids, are included within the scope of this investigation.

The scope includes tolyltriazole/sodium tolyltriazole and benzotriazole/sodium benzotriazole that are combined or mixed with other products. For such combined products, only the tolyltriazole/sodium tolyltriazole and benzotriazole/sodium benzotriazole component is covered by the scope of this investigation. Tolyltriazole and sodium tolyltriazole that have been combined with other products is included within the scope, regardless of whether the combining occurs in third countries.

Tolyltriazole, sodium tolyltriazole, benzotriazole and sodium benzotriazole that is otherwise subject to this investigation is not excluded when commingled with tolyltriazole, sodium tolyltriazole, benzotriazole, or sodium benzotriazole from sources not subject to this investigation. Only the subject merchandise component of such commingled products is covered by the scope of this investigation.

A combination or mixture is excluded from this investigation if the total tolyltriazole or benzotriazole component of the combination or mixture (regardless of the source or sources) comprises less than 5 percent of the combination or mixture, on a dry weight basis.

Notwithstanding the foregoing language, a tolyltriazole or benzotriazole combination or mixture that is transformed through a chemical reaction into another product, such that, for example, the tolyltriazole or benzotriazole can no longer be separated from the other products through a distillation or other process is excluded from this investigation.

Tolyltriazole has the Chemical Abstracts Service (CAS) registry number 299385-43-1. Tolyltriazole is classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2933.99.8220.

Sodium Tolyltriazole has the CAS registry number 64665-57-2 and is classified under HTSUS subheading 2933.99.8290.

Benzotriazole has the CAS registry number 95-14-7 and is classified under HTSUS subheading 2933.99.8210.

Sodium Benzotriazole has the CAS registry number 15217-42-2. Sodium Benzotriazole is classified under HTSUS subheading 2933.99.8290.

Although the HTSUS subheadings and CAS registry numbers are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Period of Investigation
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- VI. China-Wide Rate
- VII. Adjustment Under Section 777A(f) of the Act
- VIII. Adjustments to Cash Deposit Rates
- IX. Changes Since the Preliminary Determination
- X. Discussion of the Issues
 - Comment 1: Selection of Primary Surrogate Country and Financial Statements
 - Comment 2: Surrogate Values for Ortho Phenylene Diamine (oPDA) and Ortho Toluene Diamine (oTDA)
 - Comment 3: Market Economy Purchases
 - Comment 4: Industry Support
- XI. Conclusion

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